

activities other than those prescribed in the regulations of this part; if such other techniques, procedures, equipment, or activities afford a degree of protection, safety, or performance equal to or better than that intended to be achieved by the regulations of this part, provided the lessee or right-of-way holder obtains the prior written approval of the District or Regional Supervisor, as appropriate, for the use of such new or alternative techniques, procedures, equipment, or activities.

(b) The appropriate MMS official may prescribe or approve departures from the operating requirements of the regulations of this part when such departures are necessary for the proper control of a well, the facilitation of the proper development of a lease, the conservation of natural resources, or the protection of life (including fish and other aquatic life), property, or the marine, coastal, or human environment.

[53 FR 10690, Apr. 1, 1988, as amended at 54 FR 50616, Dec. 8, 1989. Redesignated at 63 FR 29479, May 29, 1998]

§ 250.104 Jurisdiction.

(a) Subject to the supervisory authority of the Secretary, drilling and production operations, handling, measurement, transportation of production, and other operations and activities conducted pursuant to a lease or right-of-way by or on behalf of a lessee or right-of-way holder are subject to the regulations in this part and are under the jurisdiction of the Director.

(b) In the exercise of that jurisdiction, the Director is authorized and directed to act upon the requests, applications, and notices submitted under the regulations in this part to issue either written or oral orders to govern lease and right-of-way operations and to require compliance with applicable laws, regulations, and lease terms so that all operations conform to sound conservation practice and are conducted in a manner which will preserve, protect, and develop mineral resources of the OCS in a manner which is consistent with the following need to:

(1) Make such resources available to timely meet the Nation's energy needs;

(2) Balance orderly energy resource development with protection of the human, marine, and coastal environments;

(3) Ensure the public a fair and equitable return on the resources of the OCS;

(4) Preserve and maintain free enterprise competition; and

(5) Minimize or eliminate conflicts between the exploration, development, and production of oil and natural gas and the recovery of other resources such as fish and shellfish.

§ 250.105 Functions.

The Director, in accordance with the regulations in this part, shall accomplish the following:

(a) Regulate all operations conducted under a lease, right of use and easement, or right-of-way to promote orderly exploration, development, and production of mineral resources and to prevent unreasonable harm or damage to, or waste of, any natural resource (including any mineral deposits in areas leased or not leased), any life (including fish and other aquatic life), property, or the marine, coastal, or human environment.

(b) Require on all new drilling and production operations and, whenever practicable, existing operations, the use of BAST, which the Director determines to be economically feasible wherever failure of equipment would have a significant effect on safety, health, or the environment, except where the Director determines that the incremental benefits are clearly insufficient to justify the incremental cost of utilizing such technologies.

(c) Conduct a scheduled onsite inspection at least once a year of each offshore facility which is subject to environmental or safety regulations promulgated pursuant to the Act. The inspection shall be to determine that environmental protection equipment and safety equipment designed to prevent or ameliorate blowouts, fires, spillages, or other major accidents have been installed and are operating properly in accordance with the requirements of this part.

(d) Conduct periodic onsite inspection without advance notice to the operator of such facility as determined

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necessary to assure compliance with applicable regulations.

(e) Cooperate and consult with or solicit advice from affected States, executives of affected local governments, other interested parties, and relevant Departments and Agencies of the Federal Government.

(f) Identify for those activities under the jurisdiction of the Director those States which are deemed to be affected States.

§ 250.106 Oral approvals.

(a) The appropriate MMS official may give an oral approval whenever the regulations in this part require a lessee or other applicant to obtain such official's approval before commencing an operation or activity. If an oral approval is given in response to an oral request, the lessee or applicant shall confirm the oral request by submitting a written request within 72 hours of the oral approval and the MMS official shall approve that request subject to any conditions that were placed upon the oral approval. In the event a written application is given oral approval by an MMS official, the MMS official shall forward the approval and any conditions placed thereon to the applicant.

(b) The appropriate MMS official may give oral orders to lessees in connection with requirements of this part whenever circumstances do not permit the time needed to prepare and issue such orders in writing. Oral orders shall be confirmed in writing by the appropriate MMS official.

§ 250.107 Right of use and easement.

(a) In addition to the rights and privileges granted to a lessee under a lease issued or maintained under the Act, the Regional Supervisor may grant a lessee, subject to conditions prescribed by the Regional Supervisor, a right of use and easement on the OCS to construct and maintain off the lease platforms, artificial islands, and all installations and other devices which are permanently or temporarily attached to the seabed and which are used for conducting exploration, development, and production activities or other operations on or off the lease which are related to such activities. Rights of use

and easement on the OCS shall be issued and exercised in accordance with the provisions of this section.

(b) A right of use and easement, if on an area subject to any lease issued or maintained under the Act, shall be granted only after the holder of the lease has been notified by the applicant and afforded an opportunity to comment on the application.

(c) The Regional Supervisor shall require compliance with subpart I and MMS approval for all platforms, artificial islands, and installations and other devices permanently or temporarily attached to the seabed as a condition of the granting of a right of use and easement under paragraph (a) of this section or as authorized under any lease issued or maintained under the Act.

(d) The right granted by a right of use and easement shall be exercised in accordance with the requirements placed upon lessees by the regulations in this part.

(e) A right of use and easement shall be exercised only in a manner which does not interfere unreasonably with operations of any lessee under a lease.

(f) Once a right of use and easement has been exercised, the right shall continue, beyond the termination of any lease on which it may be situated, as long as it can be demonstrated to the Regional Supervisor that the right of use and easement is maintained by the holder of the right and serves the purpose specified in the grant. If the right of use and easement extends beyond the termination of any lease on which the right of use and easement may be situated or on an unleased portion of the OCS, the rights of all subsequent lessees shall be subject to such right of use and easement.

§ 250.108 Designation of operator.

This section explains the requirement for designation of an operator to conduct operations on a lease where the operator is not the sole lessee (record title owner) and owner of operating rights.

(a) Each record title owner (lessee) or operating rights owner for a lease must provide the Regional Supervisor a designation of operator in each case where someone other than an exclusive record